



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

OCT 29 2004

VIA FACSIMILE (330) 395-3831 AND FIRST CLASS MAIL

Michael D. Rossi, Esq.
Guarnieri and Secrest, P.L.L.
151 East Market Street
P.O. Box 4270
Warren, OH 44482

RE: MUR 5262
Dennis Rossi

Dear Mr. Rossi:

On October 25, 2004, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a)(1)(A) and (a)(3) provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to Dennis Rossi.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply, and that this matter is still open with respect to other respondents. The Commission will notify you when the entire file has been closed.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script that reads "Margaret J. Toalson".

Margaret J. Toalson
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 5262

Dennis Rossi

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CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Donald L. Walter and a separate complaint by Randy D. Walter. The Federal Election Commission ("Commission") found reason to believe that Dennis Rossi ("Respondent") violated 2 U.S.C. § 441a(a)(1)(A) and (a)(3).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

Actors

1. Tim Ryan was a candidate for the 17th Congressional District in Ohio in the 2002 election cycle.

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2. Tim Ryan for Congress is an authorized committee within the meaning of 2 U.S.C. § 431(4). Michael Fraioli is the treasurer of Tim Ryan for Congress.

3. Dennis Rossi is a high school athletic coach, businessman, and friend and mentor to Tim Ryan.

4. Shawn Pompelia, a lending officer at the Second National Bank, approved the candidate loan for \$50,350. Mr. Pompelia played athletics under Mr. Rossi, at the same high school in which Mr. Ryan attended and participated in athletics. Additionally, Mr. Pompelia, Mr. Rossi and Mr. Ryan all coached athletics at the same time at that same high school.

Applicable Law

5. The Act prohibits an individual from making a contribution to any candidate greater than \$1000 per election, and prohibits an individual from making aggregate contributions to federal political committees in excess of \$25,000 per year.¹ 2 U.S.C. § 441a(a)(1)(A) and (a)(3). A loan is a contribution by each endorser or guarantor. Unless a written agreement states otherwise, when there are multiple guarantors of a loan, as in this matter, each guarantor of the loan is deemed to have made a contribution in the same proportion to the unpaid balance that each endorser bears to the total number of endorsers, or in this matter, \$25,175.

11 C.F.R. § 100.7(a)(1)(C). Even if the loan is paid off, the loan is still an unlawful contribution

¹ This matter pertains to a 2002 Congressional election in the 17th Congressional District of Ohio. All of the facts in this matter occurred prior to the effective date of the Bipartisan Campaign Reform Act of 2002 ("BCRA"), Pub. L. 107-155, 116 Stat. 81 (2002). Accordingly, unless specifically noted to the contrary, all citations to the Act herein are as it read prior to the effective date of BCRA and all citations to the Commission's regulations herein are to the 2002 edition of Title 11, Code of Federal Regulations, which was published prior to the Commission's promulgation of any regulations under BCRA.

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if it exceeds the contribution limits of 2 U.S.C. § 441a(a).

Factual Background

6. Mr. Ryan determined that he needed money for his campaign, and decided to inquire about taking out a loan. Mr. Ryan met with Shawn Pompelia from the Second National Bank to apply for a loan. The Bank agreed to approve a loan if it was cosigned. Mr. Ryan approached Mr. Rossi about cosigning a loan. Mr. Rossi agreed to cosign the loan. Mr. Ryan and Mr. Rossi met with Mr. Pompelia a few days after Mr. Ryan's first meeting with the Bank to complete the transaction. Mr. Ryan obtained an unsecured \$50,350 loan through Mr. Pompelia from Second National Bank, cosigned by Dennis Rossi. Mr. Ryan could not have obtained the loan without a cosigner. Mr. Ryan acted as an agent of his campaign and personally induced Mr. Rossi to guarantee the loan. Mr. Rossi also made a \$250 contribution to INSURPAC, a registered federal political committee, in 2002. Mr. Rossi's total contributions in 2002 were \$25,425.

Violations

V. Mr. Rossi made an excessive contribution of \$24,175 to Tim Ryan for Congress in violation of 2 U.S.C. § 441a(a)(1)(A). Mr. Rossi exceeded the aggregate contribution limit of \$25,000, by making aggregate contributions in 2002 of \$25,425 in violation of 2 U.S.C. § 441a(a)(3). Respondent will cease and desist from violating 2 U.S.C. § 441a(a)(1)(A) and (a)(3).

Civil Penalty

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Four Thousand Dollars (\$4,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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Other Provisions

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C.

§ 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

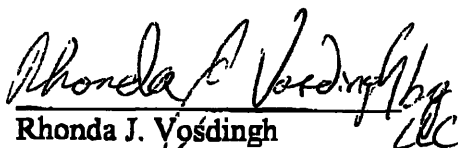
X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

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FOR THE COMMISSION:

Lawrence H. Norton
General Counsel

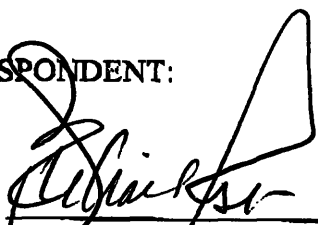
BY:


Rhonda J. Vosdingh

Associate General Counsel
for Enforcement

10/28/04
Date

FOR THE RESPONDENT:



(Name) MICHAEL D. ROSSI
(Position) Attorney for
Respondent

September 15, 2004
Date